

A SNAPSHOT VIEW OF INCENTIVE PROGRAMS IN WASHINGTON

A REPORT TO THE WASHINGTON STATE
BIODIVERSITY COUNCIL

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What Our Project Is and Isn't

- Is another layer of information to add to the Council's 2003 report, some observations about the universe of programs
- Isn't a comprehensive assessment of incentives in WA or a determination of the adequacy or effectiveness of incentives

Products

- Identification of new programs, filling out table one
- More detailed analysis of some very important programs
- Cautious findings and recommendations

Some Recommendations from Our Background

- Assisted with analysis and development of ag incentives for Puget Sound Shared Strategy
- Co-managed small grant programs focused on landowner conservation
- Worked in land and water conservation in WA for 22 years

Big Themes for Today's Discussion

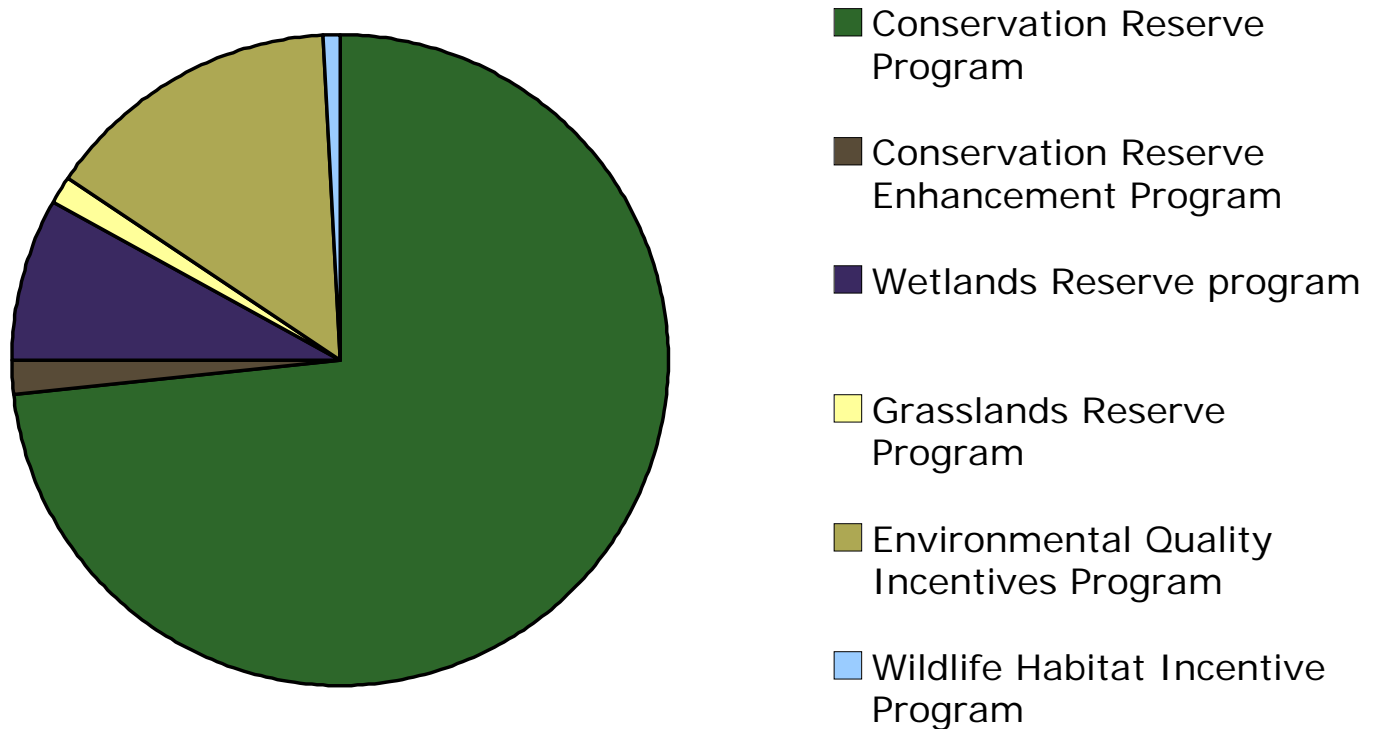
- Need to think - and act - bigger to get to biodiversity conservation
- Incentives would be more powerful under an overall strategy
- Delivery is as important as design

Thinking and Acting Bigger

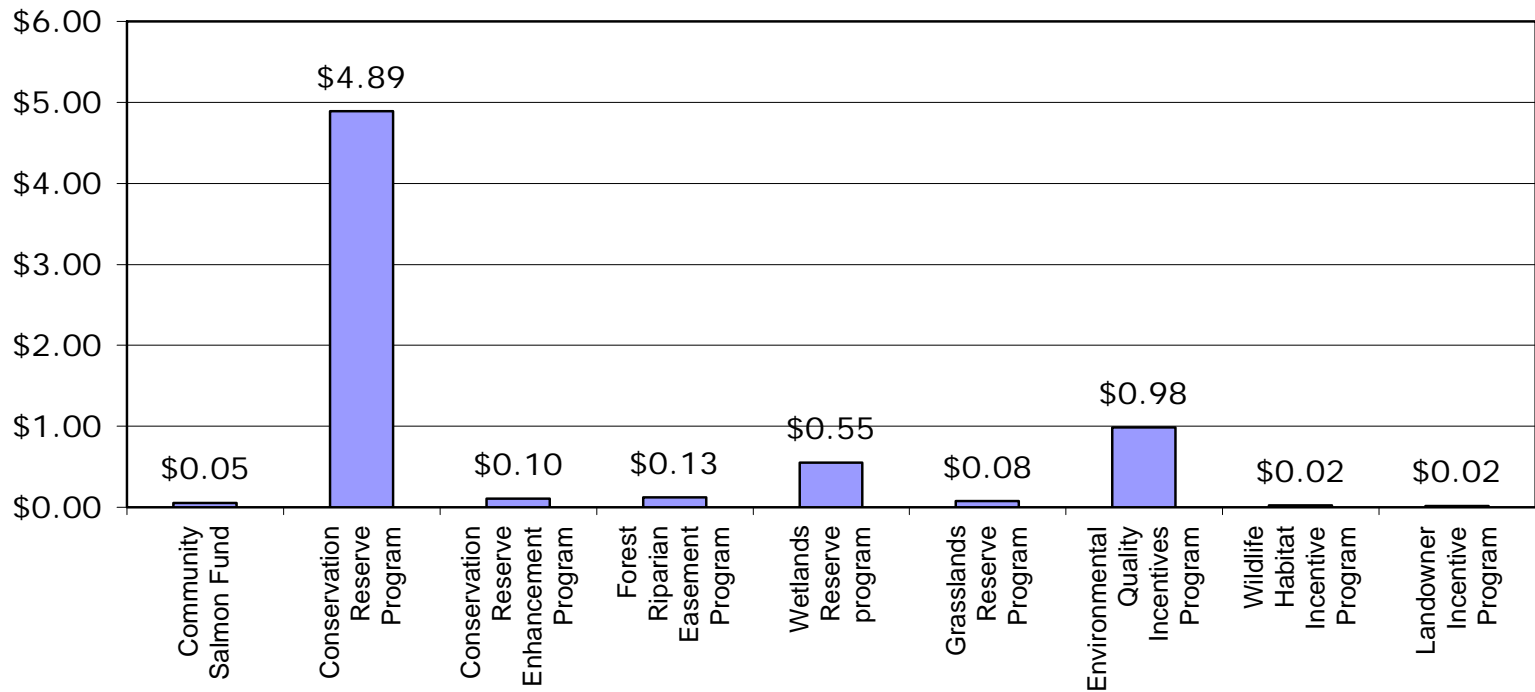
- Largest programs look big until compared with potential need
- Most programs are providing pennies per acre
- Challenging to get programs to scale

Farm Bill Programs in WA

(\$100 Million per Year)



Dollars per Eligible Acre



Scaling Up

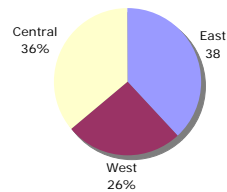
- Build support for additional funding
- Look to new sources, particularly market-based options like conservation banking
- Spend money as effectively as possible

Spending Money More Effectively and Strategically

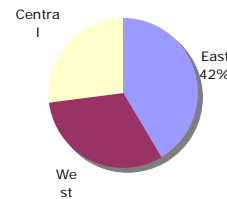
- Not an indictment of how individual programs are managed
- Programs are run independently, many have funding levels and staffing that vary year-to-year
- Awards through open competition and dependent on what comes in
- Hard to find patterns in awards

Regional Distribution of Financial Incentive Programs

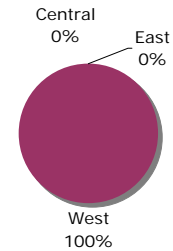
EQIP 2004 Contract Allocation



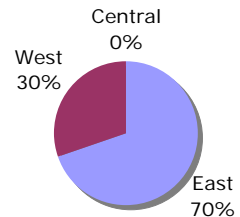
GRP 2004 Contract Allocation



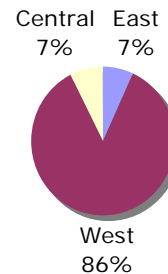
CSF 2004 Contract Allocation



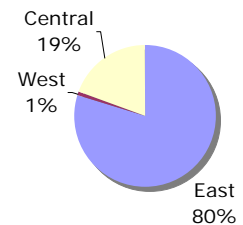
CREP 2004 Program Allocation



WRP 2004 Contract Allocation



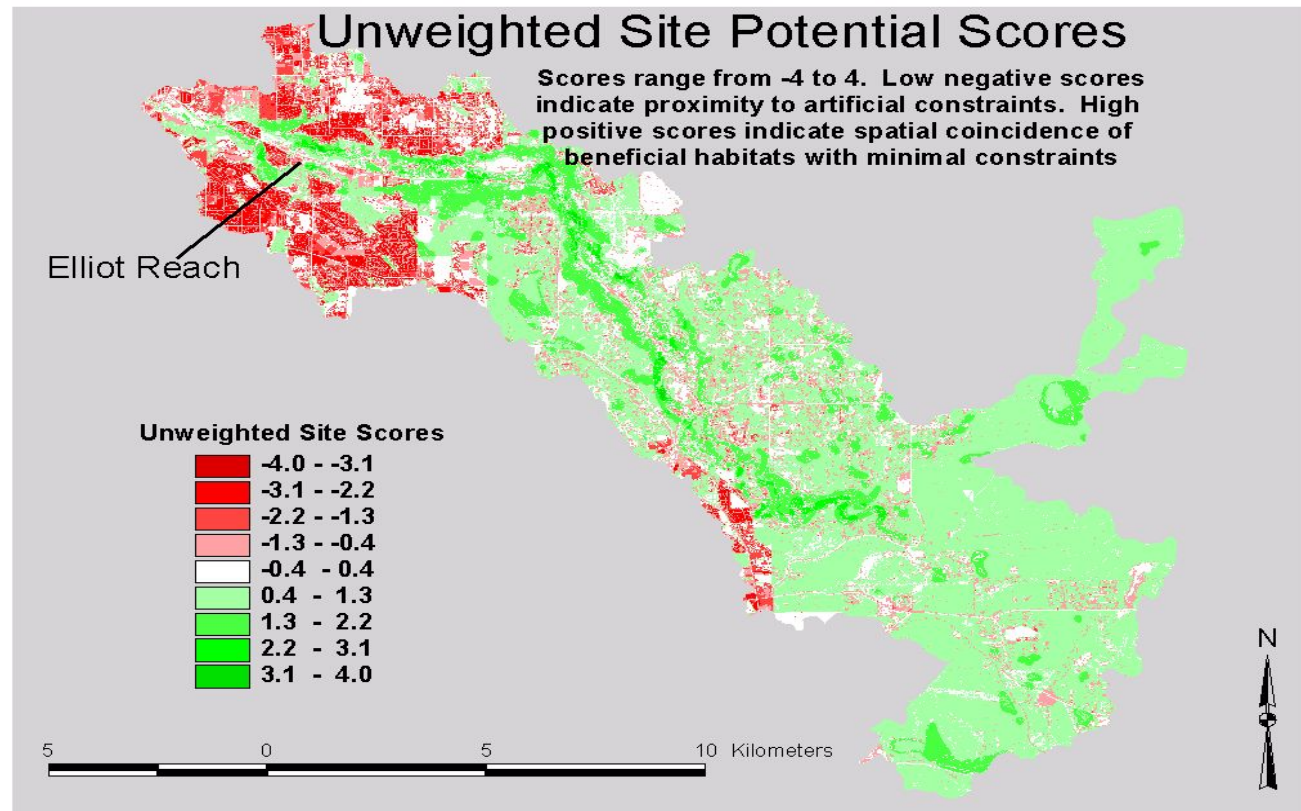
CRP 2004 Program Allocation



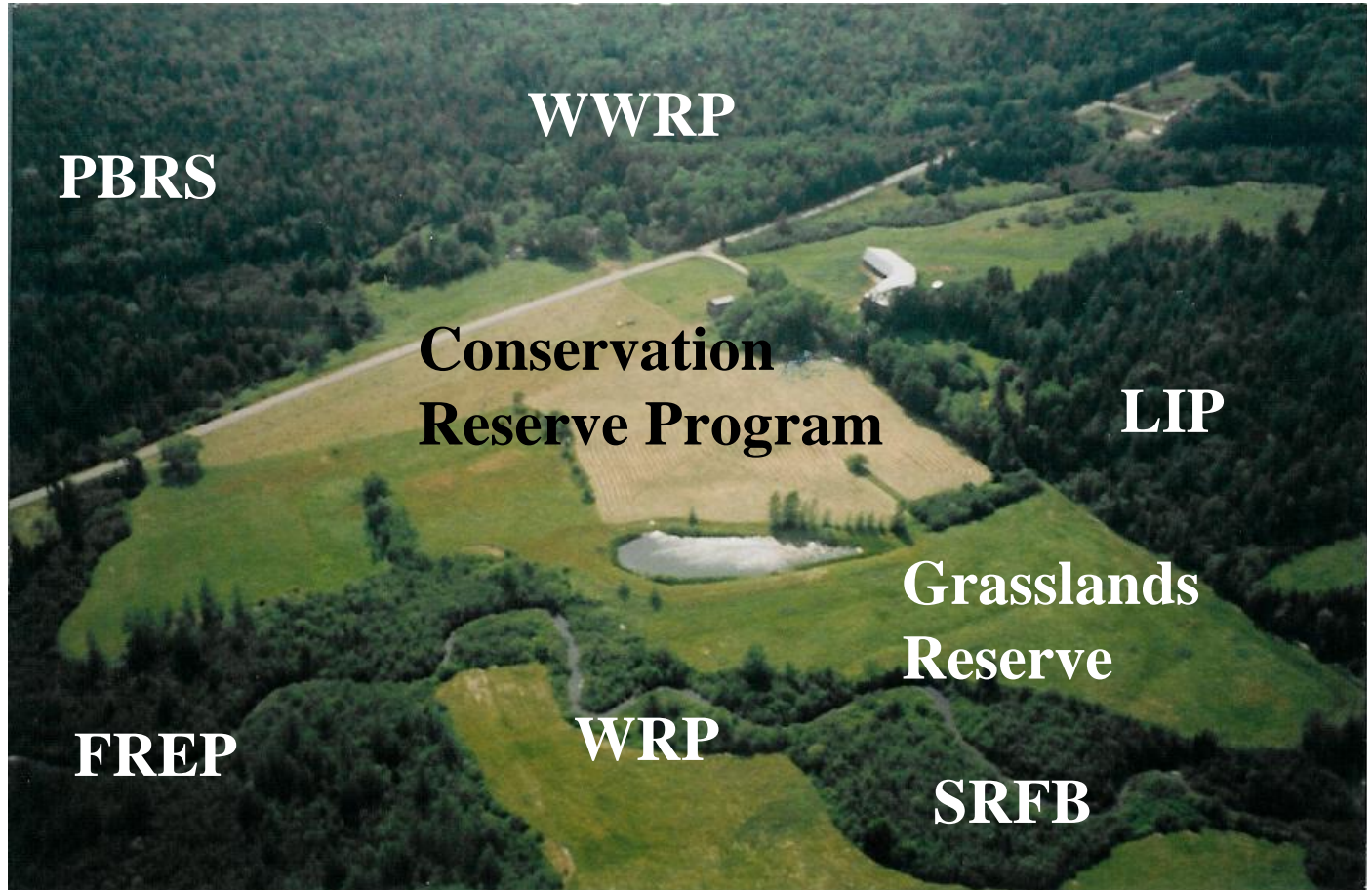
What Would a Strategic Approach Look Like?

- Provides a context on the role and function of incentives in a biodiversity conservation strategy
- Targets and funds programs in context - which are best at filling key roles

Ultimately Applying the Strategy to the Landscape



The Big Delivery Challenge



Delivery Issues

- Bewildering array of programs with many different providers
- Most rely on “brokers” like conservation district staff to spread the word
- Data seems to confirm that access to programs depends on interest and capability of brokers

Options on Delivery

- Build capacity at the watershed or county level, with brokers in each area that have knowledge of many programs
- Build capacity at the statewide or regional level, with experts on each program available on call

CREP: Delivery Issue?



-15M acres of farmland, 3,000 miles of salmon streams

-1998 CREP goal: enroll 100,000 ac

-Estimated cost: \$250M

-Right now, about
10,000 acres enrolled

Ideas for Moving Ahead

- Developing better tools for evaluating effectiveness
- Exploring market-based mechanisms
- Evaluating options for delivering programs

Evaluating Effectiveness

- Conventional indicators: money spent, projects completed, demand met, happy recipients
- Not too meaningful with small independent programs
- Is a small but fully subscribed program with a handful of satisfied customers a success?

Promising Approaches

- Start big
- What is the role of incentives in conserving biodiversity?
- What package of incentives are needed to fulfill this role?
- How should programs be used and targeted to best advantage?

Promising Approaches

- How do individual programs help to achieve major goals?
- Are they addressing the right landscapes and landowners?
- How big do they need to be to do the job?
- Big picture could be a working assumption, refined over time

Using Market Mechanisms

- Incentives don't work well as a defense against market-driven changes in land uses or practices
- If markets favor more profitable uses of farm and forest land, incentives may slow conversion but won't stop it
- Need to develop markets that create income from biodiversity

Promising Mechanisms

- Conservation banking - investing in conservation practices in lieu of on-site mitigation for environmental impacts of construction
- Markets for products - certification of biodiversity-friendly products, direct markets for biodiversity byproducts

Delivering Incentives

- Direct interaction with landowners seems to be most effective
- Relies heavily on the skill and interest of program staff and brokers
- How do we get brokers up to speed on all the programs?

Promising Directions

- Providing statewide support for landowners and brokers - clearinghouse, advice on tools, fundraising assistance
- Investing in the effectiveness of brokers - training, communications
- Confirming direction in further talks with landowners, brokers, program sponsors

Summary of Presentation

- Lots of incentive programs (and \$)
- Effectiveness likely to improve if targeted more strategically
- Getting to scale will require working with the markets
- Delivery should use best aspects of person-to-person connections with a higher level of support